June 25, 1998

MEMORANDUM TO: Distribution

FROM: Michael J. Rubino, Associate Director
                        Acquisition Services Branch

SUBJECT: Policy Memorandum No. 98-014 – Revisions to
                        FDIC Procurement Credit Card Program

1. Purpose. The purpose of this Policy Memorandum is to modify the Acquisition
   Policy Manual (APM) to allow for the increase in the single procurement limit from
   $2,500 to $5,000 (as applicable) and the monthly limit from $25,000 to $50,000
   under the Credit Card Program. This will be implemented by specific written
   delegation of authority by the Agency Program Coordinator to each cardholder for
   whom this increase will be applicable. To qualify for the monthly procurement
   threshold increase, designated Approving Officials must have a minimum of $50,000
   expenditure authority with signature cards on file with the Division of Finance
   (DOF), Accounts Payable Section.

2. References.   APM 3.C.2., *Procurement Credit Card*, page 3-13.
                        APM 9.E.1., *Overview*, page 9-13.
                        APM 9.E.5.c.(1), *Single Procurement Limit*, page 9-16.
                        APM 9.E.5.d.(1)(a), *Official Business*, page 9-17.
                        APM 9.E.5.c.(2), *Monthly Procurement Limit*, page 9-16.

3. Scope. This Policy Memorandum is applicable to all Credit Card Program
   participants.

4. Background. Policy Memorandum No. 98-013, which became effective on May 26,
   1998, allowed for an increase in the direct award authority for contracts from $2,500
   to $5,000 without the requirement for noncompetitive justification. This Policy
   Memorandum sets forth the general policy relating to the increase in both the single
   and monthly limits for credit card procurements. It does not constitute the required
   individual delegation in order to use the credit card up to the $5,000 single
   procurement limit. This authority must be obtained through a separate delegation
   from the Agency Program Coordinator. Cardholders shall be issued this delegation
   prior to mid-July, subject to the concurrence of their respective Approving Official.

5. <u>APM Change</u>. Therefore, in accordance with the foregoing, the following changes are made to the APM:

    a. APM 3.C.2. is revised by deleting the third sentence and substituting the following:

        "The Bankcard has a single procurement limit of up to $5,000, and a monthly limit of up to $50,000, in accordance with the written delegation to the cardholder from the APC."

    b. APM 9.E.1. is revised by substituting $5,000 for $2,500.

    c. APM 9.E.5.c.(1) is revised by deleting the third sentence and substituting the following:

        "The maximum single procurement limit without the requirement for competition for any FDIC cardholder shall be up to $5,000 in accordance with the written delegation to the cardholder by the APC. This limit may be increased by written delegation from the APC, in which case competition shall be required."

    d. APM 9.E.5.c.(2) is revised by deleting the second sentence and substituting the following:

        "The maximum monthly procurement limit for any FDIC cardholder shall be up to $50,000 in accordance with the written delegation to the cardholder from the APC."

    e. APM 9.E.5.d.(1)(a) is revised by deleting the first sentence and substituting the following:

        "The IMPAC Card may be used to procure goods or services which are for official FDIC business only up to $5,000 in accordance with the cardholder's written delegation from the APC."

6. <u>Effective Date.</u> The provisions of this Policy Memorandum are effective immediately. However, the single procurement limit shall not be authorized until the appropriate delegations are issued to the individual cardholder from the APC.

7. <u>Contact</u>. If you have any questions, please contact David K. McDermott at (202) 942-3434.

cc: Jane Sartori
       John Lynn
       David K. McDermott

Policy Memorandum 98-014

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